

DEPARTMENT OF THE ARMY
HEADQUARTERS, JOINT READINESS TRAINING CENTER AND FORT POLK
FORT POLK, LOUISIANA 71459-5341

CIVILIAN PERSONNEL
BULLETIN No. 08-05

15 April 2005

THRIFT SAVINGS PLAN OPEN SEASON
(15 April 2005 - 30 June 2005)

1. Thrift Savings Plan (TSP) open season begins 15 April 2005 and ends 30 June 2005. During the current open season, employees can begin to contribute, increase/decrease the amount of employee contributions, and/or change their future fund allocation(s). To make a TSP open season change, employees may access the Employee Benefits Information System (EBIS) through the web from the ABC-C home page at <https://www.abc.army.mil> or the Interactive Voice Response System (IVRS) by calling the toll-free number, 1-877-276-9287 or 1-877-276-9833 for Hearing Impaired. If an employee does not wish to make an open season change, no action is required. **All TSP open season transactions must be completed by 30 June 2005.**

2. The first effective date for changes made during this TSP open season will be the pay period beginning 12 June 2005. For changes made during the latter part of open season, the effective dates will be pay periods beginning 26 June 2005, and 10 July 2005, respectively.

3. If you are covered by **FERS**, you can elect to contribute up to **15%** of your basic pay each pay period, and if you are covered by **CSRS**, you can contribute up to **10%** of your basic pay each pay period, up to the Internal Revenue Service (IRS) annual limit of \$14,000.

4. Employees can choose among five investment funds:

- Government Securities Investment **(G) Fund** - invested in short-term, risk-free U.S. Treasury securities that are specially issued to the TSP.
- Fixed Income Index Investment **(F) Fund** - invested in a bond index fund that tracks the Lehman Brother U.S. Aggregate (LBA) Bond index.

- Common Stock Index Investment **(C) Fund** - invested in a stock index fund that tracks the large companies included in the Standard & Poor's (S&P) 500 stock index.
- Small Capitalization Stock Index Investment **(S) Fund** - invested in a stock index fund that tracks medium and small companies included in the Wilshire 4500 stock index.
- International Stock Index Investment **(I) Fund** - invested in a stock index fund that tracks the 21 countries included in the Morgan Stanley Capital International EAFE (Europe, Australia and Far East) stock index.

5. **Newly hired** employees are eligible to begin contributing to the TSP. They will not, however, begin receiving the agency contributions until they have served the required waiting period. An employee appointed or reappointed to a position covered by FERS who had not been previously eligible to receive agency contributions becomes eligible to receive agency contributions as follows: (a) if the effective date of the appointment is any day during the period June 1 through November 30, the agency contributions begin the first full pay period of the following June; (b) if the effective date of the appointment is any day during the period December 1 through May 31, the agency contributions will begin the first full pay period of the following December. An employee reappointed to a position covered by FERS who was previously eligible to receive agency contributions is immediately eligible to receive agency contributions. The employee has served the required waiting period under his or her former appointment.

6. Participants who terminated their contributions during the previous open season (15 October 2004 - 31 December 2004) will be eligible to contribute again during this open season. **Participants can terminate their contribution at any time.**

7. Please note: Non-contributing FERS employees' Agency Automatic (1 percent) Contributions will automatically go into the "G" Fund unless the employee makes an election allocating the TSP contributions to go to other than 100 percent in the "G" Fund. All eligible FERS employees, even employees not making TSP contributions, may make a TSP election to invest in any or all of the five Funds.

8. When completing the TSP-1 thru ABC-C, <https://www.abc.army.mil>, please remember the following tips:

a. Employees must first establish a Point Of Entry (POE) Password and Personal Identification Number (PIN) through EBIS in order to access either system.

b. If contributing a dollar amount, make sure that the amount you wish to contribute does not exceed the maximum percentage of your base biweekly pay that is allowed (CSRS 10%; FERS 15%).

c. If you choose to contribute to either the C, F, I or S Fund, be aware that an acknowledgement of risk applies.

d. Be sure to use multiples of 5% that equal 100% of your contributions.

e. Visit the TSP Web Site at <http://www.tsp.gov> to obtain additional information about the TSP and to view the latest rates of returns for the five investment funds.

f. You can make only one TSP election during open season.

9. If you are age 50 or older, and you are contributing the maximum amount of regular TSP contributions for which you are eligible, you may also elect to make additional "catch-up" contributions up to \$4,000 for 2005. You can make this election at any time by contacting ABC-C as indicated in paragraph 1 above.

10. **TSP Open Seasons will be eliminated effective July 1, 2005.** Public Law 108-469, which was signed into law on December 21, 2004, eliminates the Thrift Savings Plan open seasons and the restrictions on contribution elections which are tied to open seasons. **The Federal Retirement Thrift Investment Board will implement this law on July 1, 2005.** This means that participants may file contribution elections at any time beginning April 15. Through June 30, these elections will be processed under the current open season rules. Beginning July 1, contribution elections will be processed under the new rules – that is, the elections will be effective no later than the first full pay period after they are filed. To make a TSP change or election, employees may access the Employee Benefits Information System (EBIS) through the web from the ABC-C home page at <https://www.abc.army.mil> or the Interactive Voice Response System (IVRS) by calling the toll-free number **1-877-276-9287** or **1-877-276-9833** for Hearing Impaired. The law does not affect the waiting period new employees covered by the Federal Employees' Retirement System must serve before they become eligible for agency contributions to their accounts. In addition, the law does not

affect contribution allocations or interfund transfers, which can be made at any time by accessing web site: <http://www.tsp.gov/>, or the TSP ThriftLine at 1-TSP-YOU-FRST (1-877-968-3778) or the TDD number for the hearing impaired at 1-TSP-THRIFT5 (1-877-847-4385), or by completing the TSP-50, Investment Allocation Form, and mailing it to the address shown on the form. This form **cannot** be obtained from the TSP website, but is available by contacting the TSP Office at the toll-free number listed above.

11. If your mailing address has changed, please submit a change of address to Ft Polk CPAC immediately so that your TSP account records can be corrected.

12. Additional information about the TSP (as well as the most recent forms and publications) is available from the TSP Web site <http://www.tsp.gov>.

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DONALD R. MALLETT

Director, Civilian Personnel
Advisory Center